6-11. Non-Disputable Charges

a. **Card Misuse by Cardholder**. Charges that involve misuse or abuse by the CH are not disputable with the servicing bank. If the transaction was processed in accordance with established controls (e.g., within the purchase limits, not from a merchant with a blocked Merchant Category Code, then the bank has fulfilled its responsibilities under the contract, and the Government is obligated to make payment for the transaction. The Government will take appropriate action, as prescribed in Chapter 11, Disciplinary actions, to seek restitution because of the improper misuse or abuse.

b. **Sales Tax**. If a charge involves sales tax erroneously invoiced by the merchant, the amount of the tax cannot be disputed with the bank. The CH should try to obtain a credit from the merchant. If a credit is not obtained, the CH should inform and request assistance from the A/OPC. The CH should seek restitution via the guidance provided by the GSA SmartPay Tax Exemption website. The CH should document the file accordingly.

c. **Shipping Costs**. If a charge involves shipping costs erroneously invoiced by the merchant, the amount of the erroneous shipping costs cannot be disputed. The CH should try to obtain a credit for the transportation costs from the merchant. If a credit is not obtained, the CH should inform and request assistance from the servicing bank. The CH should document the file accordingly.

d. **Convenience Checks**. There is no convenience check dispute process within the bank. Any concerns with a purchase made by check must be resolved directly with the merchant. The checkwriter is responsible for securing restitution and/or credit for disputed purchases. The checkwriter will notify the A/OPC and request assistance to resolve disputes if necessary. Each organization is responsible for checks written on the account, unless it is determined fraudulent activity is involved.

e. **Third-party Payments**. If a dispute with a merchant involves a third-party payer (e.g., Google Pay, PayPal), the dispute is not with the third-party payer, but with the merchant. The bank has no privity to the transaction, and the CH must resolve the dispute with the merchant and/or the credit card company.

Parent topic: CHAPTER 6 - OPERATIONAL GUIDANCE AND PROCEDURES